

**House File 2258 - Introduced**

HOUSE FILE 2258  
BY COMMITTEE ON LOCAL  
GOVERNMENT

(SUCCESSOR TO HSB 510)

**A BILL FOR**

1 An Act relating to the uses of remitted sales tax revenue  
2 and moneys from the flood mitigation fund under the flood  
3 mitigation program and including applicability provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 418.13, subsection 1, Code 2018, is  
2 amended to read as follows:

3 1. Sales tax revenue remitted by the department of revenue  
4 to a governmental entity under [section 418.12](#) or financial  
5 assistance received by a governmental entity pursuant to  
6 section 418.10 shall be deposited in the governmental entity's  
7 flood project fund created for purposes of [this chapter](#) and  
8 shall be used to fund the costs of the governmental entity's  
9 approved project, to reimburse the governmental entity for the  
10 costs of the approved project incurred after the project's  
11 approval, and to pay principal and interest on bonds issued  
12 pursuant to [section 418.14](#), if applicable.

13 Sec. 2. APPLICABILITY. This Act applies to the expenditure  
14 of funds from a flood project fund for projects approved by the  
15 flood mitigation board before, on, or after the effective date  
16 of this Act.

17 EXPLANATION

18 The inclusion of this explanation does not constitute agreement with  
19 the explanation's substance by the members of the general assembly.

20 The flood mitigation program established under Code chapter  
21 418 authorizes specified governmental entities to seek approval  
22 of flood protection projects and the use of certain sales  
23 tax increment revenues or moneys from the flood mitigation  
24 fund. Revenue and moneys received by the governmental entity  
25 for approved projects are required to be deposited in the  
26 governmental entity's flood project fund to fund the costs  
27 of the approved project. This bill adds the reimbursement  
28 to the governmental entity of costs of the approved project  
29 incurred after the project's approval to the list of authorized  
30 expenditures from the governmental entity's flood project fund.

31 The bill applies to the expenditure of funds from a flood  
32 project fund for projects approved by the flood mitigation  
33 board before, on, or after the effective date of the bill.